

Lake County Public Works Committee

2016 Regional Wholesale Sewer System Reports

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- County is required to provide annual financial statements for the Northwest, Southeast and Northeast Central Sewer Wholesale Systems as outlined in the individual agreements for sewage disposal

- Reports were prepared based on our Agreed-Upon Procedures

- Reconciling items include non-cash capital contributions, proceeds from sale of capital assets, and investment income.
- Does not represent a pure income statement as the purpose is to mirror revenues and expenses used in designing the current rate structure.

- Results of Agreed-Upon Procedures

	Southeast		Northeast Central		Northwest*	
	2016	2015	2016	2015	2016	2015
Operating Revenues	\$ 5,941,548	\$ 5,997,714	\$ 3,371,338	\$ 3,109,799	\$ 5,811,959	\$ 5,843,785
Operating Expenses Excluding Depreciation	4,009,978	3,343,529	3,502,180	3,087,677	5,448,354	5,237,793
Depreciation	1,952,745	1,700,566	334,766	313,593	348,736	330,562
Operating Income Excluding Depreciation	(21,175)	953,619	(465,608)	(291,471)	14,869	275,430
Nonoperating Revenues (Expenses)	(90,252)	(90,690)	(26,943)	(27,074)	(1,576)	(1,582)
Capital Contributions - Connection Fees	447,217	492,643	49,194	21,996	40,720	104,749
Capital and Replacement Costs	(1,960,183)	(1,960,457)	-	-	-	-
Net Increase (Decrease) To DEI Reserve	<u>\$ (1,624,393)</u>	<u>\$ (604,885)</u>	<u>\$ (443,357)</u>	<u>\$ (296,549)</u>	<u>\$ 54,013</u>	<u>\$ 378,597</u>

*The Northwest I&I excess flow surcharge and subsequent related transfer to the debt service reserve net to zero and are not shown here.